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Indie Campers: a Blue Ocean Strategy

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Abstract

This work project provides a brief analysis of land tourism in Iberian Peninsula, looking for the possibility to start and develop a new successful company. Despite the high competition highlighted in Porter's Six Forces analysis, it is possible to prove that the industry actually has a strong attractiveness thanks to a Blue Ocean Strategy perspective. Using this approach it was possible to redefine the boundaries of the market by adjusting the value proposition, in order to provide an irresistible offer that avoids competition.

The work was based on the experience of a real case of success, Indie Campers.

Keywords: Tourism, Innovation, Blue Ocean, Campervan

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Introduction

“Home is where you park it” the quotation from Foster Huntington describes the idea behind campervan life, exploration and the alternative way to make holidays. This was the one of the concept that inspired and still guides the steps of Indie Campers. The company, nowadays a fast growing start-up, was founded by a former Nova student who based his first steps on his own work project after completing the Master in Management. Indie Campers is a campervan rental company operating in Portugal and Spain, with a growing fleet and that now counts more than twenty-five hired workers; it rents small campervans, obtained through the transformation of new commercial vehicles.

How could an under financed start-up enter the market of Campervans with just a couple of vans and a big dream, survive the fierce competition of the incumbents in tourism industry and then become the leader in the Portuguese market with an incredible expansion to Spain? What are the key factors that motivates this unexpected success?

The purpose of this work is to find an answer to these two questions and to investigate what made Indie Campers’ offer irresistible. As a matter of fact, the company is starting a revolution in the way people looks at holidays and redefined the rules of the competition in tourism industry, by offering an alternative new provided before. By studying the industry under a classic perspective and a Blue Ocean Strategy perspective, this paper will explain the success of the company highlighting the main aspects of its value proposition.

The idea for this paper was born during a work experience in Indie Campers.

Industry analysis

In this section of the work the main objective is to demonstrate that, only by using *classic* tools, there would be limited room for starting a new successful business in tourism in Iberian Peninsula. This is due to many factors and issues that will be illustrated in the following sections.

In order to have a better and more structured knowledge of the market, it is necessary to use a set of frameworks and concepts provided by the literature. In particular, Porter's Six Forces will help defining the boundaries and the main characteristics of tourism in the perspective of a newcomer trying to enter the industry.

At this point it is important to make two quick notes of methodology that will motivate the choices made during the following analysis.

Porter's Five Forces can provide a complete framework for a correct evaluation of the industry of tourism, both in terms of the state of the competition and, as a consequence, in terms of attractiveness of the market. Instead of the *classic* Five Forces, I will use a Six Forces' model, which includes Complementary Services, because the possibility to establish positive relationships with complementary business may represent a strategic move in order to provide a superior and irresistible offer.

According to the initial purpose, this section will show a picture of Industry as a whole: this choice allows to enlarge the potential dimension of the market, as a matter of fact, to all people who travel in Spain and Portugal or both.

Since Indie Campers is already operating in more than one country, it would be advisable to replicate every step of the analysis for Spain and for Portugal. Mainly because of space issues, this work will group the two countries and the relative two markets highlighting difference and similarities between the two.

The results are that the overall condition of the market are not overall favorable, showing that the industry has no real attractiveness at the moment.

Porter's analysis result in a high internal rivalry, particularly given the power of Buyers, resulting in limited attractiveness to new players.

Porter's Six Forces

BUYERS

Buyers force can be defined as medium-high, as the industry is mature and well developed with a plenty of options and choices for the clients.

Buyers, in fact, do have a great choice of providers as the industry is consolidated, especially in Spain. In Portugal the market is more liquid, due to the great expansion tourism is experiencing in recent years.

The presence of aggregators of offer and price comparators dragged down prices and increased competition, bringing additional strength to the buyers. Another powerful tool provided by the internet and reinforced by the *social network culture* to clients is the peer review; in an industry that has always been strongly affected by institutional reviewers, guides and journalists for instance, peer reviews provided by websites like Tripadvisor.com fostered an informed and more careful way of travelling, thus creating highly demanding customers able to destroy the reputation of hotels, resorts and restaurants.

SUPPLIERS

Suppliers are various and quite complex to be studied in tourism. One of the major supplier in this industry is represented by the work force, composed by tour operators, waiters and receptionists, cleaning services and all the other personnel required to run a structure for

hospitality. The relative offer is not so high and, especially in high season the demand could exceed the offer creating making stronger the force of suppliers.

Another important supplier for the industry are banks and funds, as investments may represent a huge barrier of entrance. In order to start a business, an important initial investment is always needed. Force of capital suppliers is evaluated as high.

Strictly linked to this, there is the need of structures and facilities. The force of the builders and of the the fixed cost is considered medium.

NEW ENTRY

New Entry menace is not very relevant as the incumbents of the industry are powerful and of big dimension in Spain, while in Portugal there is an established net of providers; none of them is big enough to possess the required strength that would allow it to influence the market, but they manage quite well to cover the territory, even if some big players are present.

Especially in terms of land concessions, Portugal is an easier country to to establish a new business, even if in both country bureaucracies may require an expensive toll to new business. Family businesses are frequent, but their growth is limited, or by intention of the founders, or by the market conditions set by price aggregators and by huge players who monopolize Google search and have capabilities for big marketing investments.

SUBSTITUTE

Substitution is a medium threat, mainly motivated by the presence of rental car companies and by campervan companies.

In different ways, these two businesses represent a threat for the more traditional hotel or resort based tourism as they offer the possibility to make itinerant holidays instead of sedentary ones.

This factor could be very attractive for clients who are looking for different kind of experiences and that travel more than one time a year, thus in need of *smart holidays*, characterized by high value for money.

However, prices in the motorhome industry are very high and lower significantly the value for money; on the contrary in rental car sector, the service is very poor and the extremely low prices are not sufficient to great an irresistible offer. Last but not least there are not many option that at reasonable cost propose road trip experiences as *relocation fees* are extremely high.

Recent trend show backpacking as growing fast. People prefer to walk and camping instead of choosing traditional accommodation.

INTERNAL RIVALRY

Internal rivalry is very different in Spain and in Portugal, as the two markets are different. As already mentioned, Portugal does not have real incumbents, instead there is a complex of small and medium business that compete a lot between them. Competition is high and the entrance of Airbnb and other services enhanced the pressure on margins.

In Spain the situation is different as comparators are many and big companies are more present. The competition is way tougher and the pressure on margins is noticeable.

Overall the internal rivalry is high thanks to price comparators, entrance of new business concepts like Airbnb and the incredible power that the peer reviews gained in recent years.

The internal rivalry is focused on the service and on prices, but there is not an integrated net of hotels or hostels that allow travelers to move through the countries with no issue and relatively low planning.

Overall internal rivalry is high.

COMPLEMENTARY SERVICES

Complementary services represent the *plus one* force that I am going to take into consideration for this analysis.

Complementary services could be strategic as it represents a way to increase dramatically the level of service at a relatively low cost, which is motivated by the *win-win* situation.

Both in Portugal and Spain there is room for cooperation between companies and local communities, for instance creating highly valuable experience in terms of wine-gastronomic tours, or explanation of the historical heritage of the countries.

Taking advantage of the desire of experience of clients companies can easily create an ecosystem of side activities making their product much more than just a hospitality structure. This option is underestimated by the vast majority of the companies, but trends are signaling a shift in this direction. Noticeable is the effort of many hotels to partner with airlines, both low cost and normal, in order to provide packages to clients with everything that is needed for a complete holiday, including rental car.

This last business is actually a perfect complement for many businesses as it can provide a sort of flexibility for the customer.

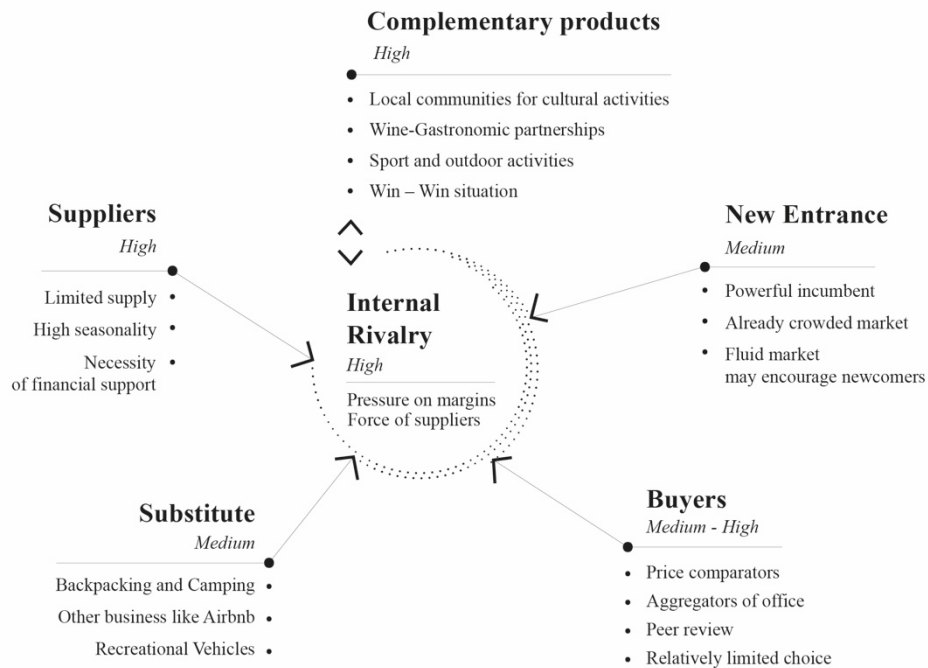


Figure 1 - Porter's Six Forces – personal elaboration

Blue Ocean Perspective

After analyzing the industry according to a *classic* perspective, provided by Porter, we will now study the sector using other tools, with the intention of showing the real potential of the industry and to understand if there is room for the starting of a new and profitable business.

In order to accomplish this, it will be necessary to redefine the boundaries of the market and the levels of competition as well.

The Strategic Canvas is the first framework chosen for this analysis; it provides a precise draw the *state of play* in the industry and, as a consequence, on what the competition is focused on, thus allowing to identify unserved markets and other niches that with a new value proposition could represent new pool of clients.

Strategic Canvas

In the canvas, the horizontal axis is representative of the key aspects that are considered as the most significant in the industry; competition is, therefore, based on these key factors.

The vertical axis of the strategic canvas, differently, expresses a score in from low to high for every factor.

A high score means that a company offers more in terms of product to its clients: as a consequence, companies tend to invest more and to put their focus on that particular aspect.

Since the industry to be studied is tourism on land, the main category of players that absorb the biggest market share is Hotels and Resorts, which offer a sedentary way of holiday. In some cases, travelers can create itineraries between hotels, but this would require a precise planning and it would have a low degree of freedom; this is due to many factors related to the nature of the business, for example fixed check in and check out hours. The average price is relatively high, but the offer covers all segments.

A radical alternative to this way of making tourism is represented by Recreational Vehicles, that guarantee a great freedom of movement, sacrificing a bit the comfort of staying in comparison with hotels. Motorhomes are usually huge, with high price, high consumptions and low drivability. Most of the clients that decide for this type of holiday choose it because of the extreme flexibility and the great experience of freedom and independence they provide.

A hybrid form of travelling is represented by the combination of low cost housing, like Airbnb or Hostels, and Rental Cars. This combination can guarantee some flexibility and a form of decent itinerant travelling but it has relatively high costs and, despite the higher comfort, does not allow a real experience of freedom like campervans.

The values on the horizontal axis were chosen in order to provide a picture of the main features of tourism industry.

The first variable is Location, which is one of the main variables on which tourism is based on, as tourists usually choose their destination before deciding how to reach it and where to stay. Clearly hotels and Airbnb have a high mark because regardless the destination there will always be some fixed accommodation structure to choose.

The second factor is Comfort, considered as overall comfort of staying and travelling. This time also, hotels have the highest score, followed by Airbnb and rental car, who are dragged down by the relatively low comfort of car travelling in comparison with Campervan travelling. An important variable is the Variety of Reachable Locations, which represents the number of places that can be visited choosing each kind of holiday. RV rank as the best as obvious, while Airbnb and Rental Car were considered way better than hotel when it comes to exploring many spots.

The fourth is Flexibility, which represents the possibility not to rely on any fixed structure for everyday necessities, whether a camping site or a hotel or any other kind of accommodation. This time also, RV as *home on wheels*, have an easy win.

Online represents the presence and the level of assistance provided online by companies in that particular strategic group; performance in this factor is mid ranged for the whole players, only Airbnb and Rental Cars slightly stand out due to Airbnb social and digital capabilities.

Level of service is a way to measure the value of the offer in terms of intangible benefits, expressed through side services provided for free, friendliness of personnel and guidance in planning the holiday. The lowest level of service is provided by Airbnb, while hotels could somehow act as travel planning advisors, but in a very limited way.

Last but not least value for money represents acceptability of the offer, expressed by a ratio between perceived quality and price. In this factor no specific player manages to stand out because in general a great delivered value is always balanced by a high costs, while a poor

delivered value comes at a cheap price. Nobody in the market can deliver a good value at a high but fair price.

It is noticeable that there is a huge void area in the offer. More precisely in terms of Online, Value for Money and Level of Service the industry is very underperforming.

Moreover, all of the three strategic groups present a margin of improvement in more than one strategic factor. For instance, RV are the best in terms of Flexibility and Reachable Locations, but they are missing a high Level of Service, a proficient Online and the overall Value for Money is low as prices for this kind of product are very high.

Differently hotels obviously offer the best level of comfort, targeting a particular segment of the population, who values the most this particular aspect.

The combination between Rental Cars and Airbnb represents a nice spot in the middle, providing somehow freedom and the possibility to visit many locations, decent level of comforts a fair online, sustained by Airbnb App and website.

It seems clear that a huge market share is not properly served by these offers. All travelers who don't value so much comfort, but on the contrary consider freedom and experience as the most important values for holidays are somehow forced to choose an alternative that does not fit their needs. This because the offer of RV is for Camping Lovers and for experts, as the level of service provided is low and the overall value for money is low.

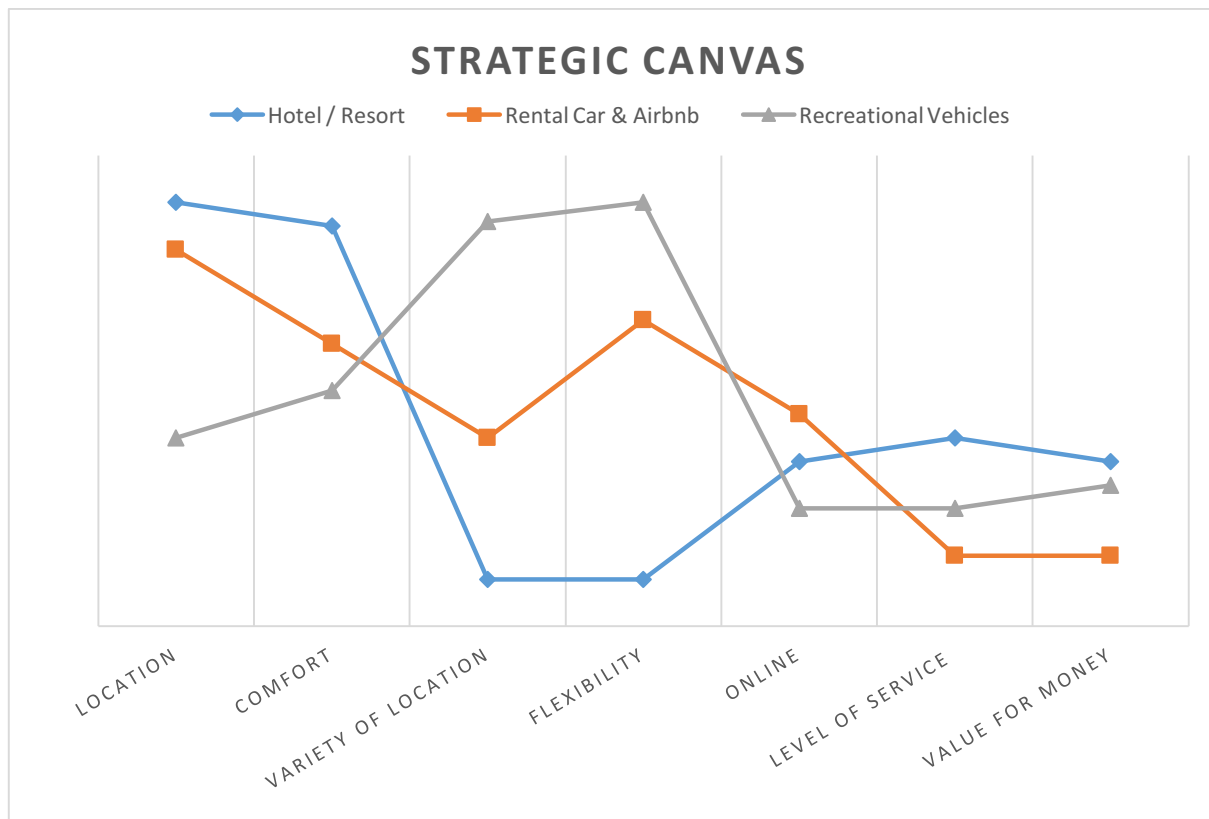


Figure 2 - Industry Strategic Canvas

Is a value alternative possible?

Indie Campers enters the market offering a valuable alternative to the traditional players of the industry. In particular, it operates in the campervan strategic group, with a different and more lean approach, that allows to align the level of offer in terms of freedom, experience and locations, to a traditional campervan company, but at a high value for money. By achieving this, Indie Campers creates a Blue Ocean in which it can operate with no real restraints and limits, as its offer is unique and unmatched by the other actors.

The new strategic canvas of the Industry is now completed by Indie Campers, that fills the voids in terms of Online, Level of Service and Value for Money.

Six Path Model – Defining a Blue Ocean Strategy

In order to find an effective Strategy to enter the market with the intention of filling the voids of that in the strategic canvas were so evident, we will proceed with the Six Paths model. This is because it helps finding a new perspective that can be used to create an irresistible value proposition.

The two main paths selected as the most relevant are the Across Strategic Group Perspective and Functional-Emotional Orientation.

Following this reasoning, it will also be possible to illustrate the value proposition, positioning and target population and the product of Indie Campers.

ACROSS INDUSTRY AND STRATEGIC GROUP PERSPECTIVE

Tourism is comprised of many industries, competing each other. The main ones where already presented in the Strategic Canvas and are Hotels and Resorts (this time including Airbnb and Hostels), Recreational Vehicles and rental car companies.

A company may position itself not directly competing in one specific and defined industry but, thanks to an innovative value proposition, it could synthetize distinctive factors of other industries into its own offer. This allows the company to minimize the *substitution effect* from other sectors lowering the level of competition on one hand, while on the other enlarging the potential pool of customers.

This new solution should be able to include the strengths of the hospitality and accommodation and the flexibility of rental cars and RV, offering an easier to use and more accessible product than the motorhome at a price point which is comparable with the combination of Airbnb and Rental Car. This broadens significantly the pool of potential clients, thus creating a new market in which there is not real competition.

At this point the new offer would be very similar to the traditional campervan, differing only on the price point. This implies the beginning of a Red Ocean battle between already established and relatively powerful campervan rental companies and the newcomer, who would be pushed out of the market by scale and experience economies of the incumbents.

It is necessary to re-image the Strategic Group, introducing new standards in terms of product characteristics and services that would differentiate the new company from existing ones.

Using mid sized van, able to combine benefits of the big motorhomes and of the small vans could allow the newcomer to cut a bit on the price, though maintaining decent margins. These peculiarities position Indie Campers in the middle within the industry, with a unique value proposition able to capture a great value.

Positioning in the market can be defined by Value for Money and Flexibility, indented as a compound variable of Value for Money and Flexibility. Flexibility is a compound variable comprised of two industry attributes already mentioned in the strategic canvas, which are Variety of Locations and Flexibility.

In order to stand out from the rest of the RV, the new vans should be both colorfully and nicely designed in the exterior providing a catchy look and recognizable though strong brand image. They also have to guarantee a decent level of comfort for travel and for camping, despite the relatively small dimensions. All internal spaces are optimized to offer almost the same functionalities of a traditional campervan but in a lean and smart way.

The combination of a smaller vans and simple but still comfortable interior design allows to cut significantly on costs, thus helping in establishing a numerous fleet in few years on one side, and allowing lower prices for customers that receive a high value for money.

The value for money is even higher thanks to the emotional value offered in form of experience. Experience must be memorable for clients, since their first contact with the firm, through the whole commercial funnel and customer care processes are friendly and never pushed towards

the hard sell, making the client feel home. Another important factor is the travel advisory provided by Indie Campers operators, before and after the beginning of the road trip.



Figure 3 - Positioning in the Market. Source: Indie Campers 2016 marketing plan

Here follows the matrix for Experience and Value for money, that helps defining the distinction in the Strategic Group with this Variable.

	Poor	Experience	Rich
High	Resort / Hotel	Indie Campers	
Value For \$	Airbnb + Rental Car	Recreational Vehicles	
Low			

Table 1 - Strategic Group Distinction. Source: Indie Campers 2016 marketing plan

Four Actions Framework

Defined the new positioning and the main characteristics of the offer of the new company it is necessary to focus on specific aspects that have to be adjusted, cut and added in order to produce a new and *blue ocean* value proposition.

The Four Actions Framework represents a very useful tool that can be used with this purpose, as it allows to define a new value curve in four steps. The first one consists in Eliminating factors that the industry takes for granted; the second one Reduces factors that are normally considered standard in the industry; the third one is about Raising factors that are not considered standard; last but not least, the fourth step Creates new factors that were not present in the industry.

The factors that have to be eliminated are the bulky fixed costs structure and the fixed locations. The first factor is relative to hotels and RV companies and rental car companies, who generally have heavy fixed costs that put a high pressure on margins and require high level of investments to start and to enlarge the production capacity. The second factor is relative to hotels and resorts: due to their nature this kind of structures are fixed and there is not an easy way to be flexible in terms of location.

It is necessary to operate a Reduction in terms of comfort, as a compromise with the extreme flexibility of the new kind of holiday. In comparison with the traditional motorhomes in particular a reduction of *unnecessary* functionalities in favor of a more user friendly and more lean structure. This would give a little less autonomy and flexibility, but the difference would be minimal.

Factors that have to be Raised are many, in first place the value for money: thanks to a lower level of fixed costs it is possible to raise the price way above the normal rental car level but still thirty percent lower than traditional and expensive motorhomes. This would guarantee the highest margins in the market and a great value for money perceived by customer who could

find all the benefits of a campervan at a lower price. Another aspect that is fundamental to raise is the level of service, which is lacking in the other competitors. A high level of service means having a pleasant journey through the commercial funnel for the client, guided and advised by operator that instead of pushing the hard sale treat customers as friends. This characteristic will be valid before, during and after the renting period so that the client will remember as memorable the customer experience.

There are some factors that have to be Created in the market. The first one is the culture of Vans, transmitted through a new and young brand that communicates fun, adventure and relax at the same time. This represent an emotional factors in the value proposition that makes the product even more irresistible for clients. The new Strategic Canvas with Indie Campers' positioning would thus be the following.

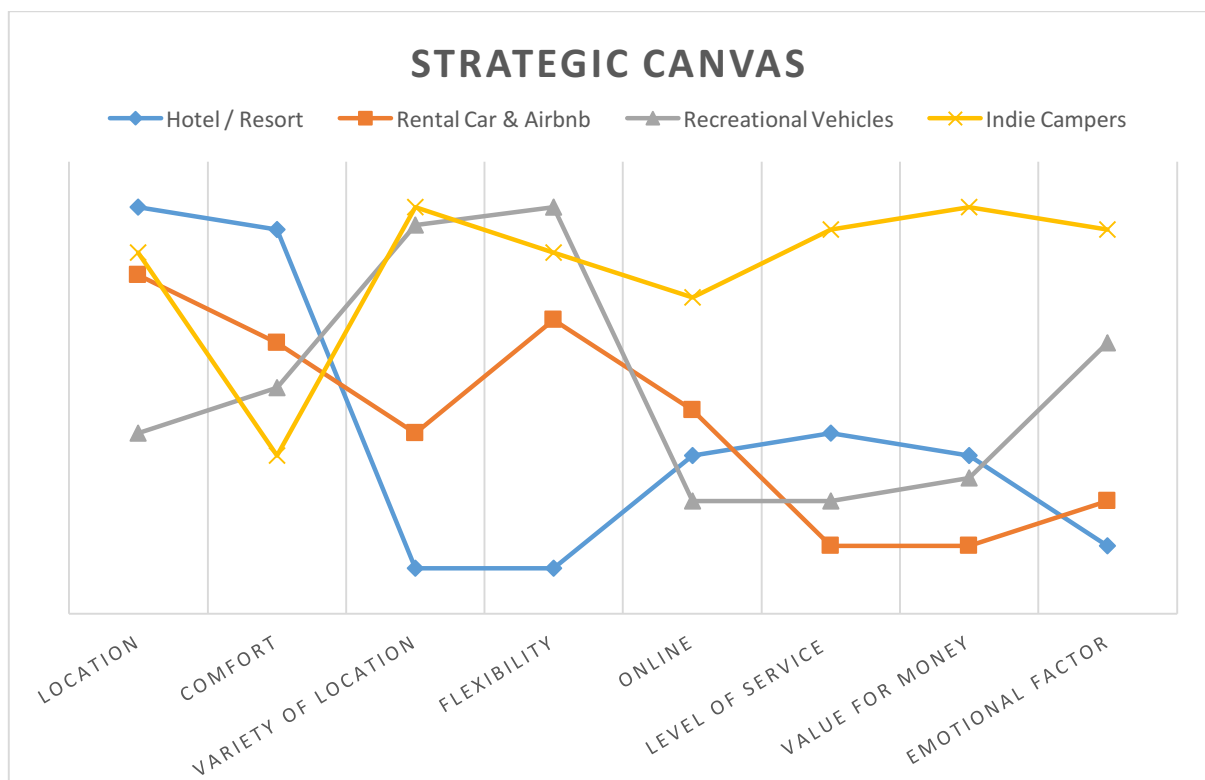


Figure 4 - Second Strategic Canvas with Indie Campers value proposition

Indie Campers

Brief history and presentation

Indie Campers was born in 2013, founded by two European friends, one Portuguese and one Austrian that wanted to bring innovation and better quality of offer in tourism industry. After travelling the world, they thought the introduction of the Australian Van culture in Europe could represent a great success and one of the best ways to revolutionize the approach to holidays for millions of people.

In 2014, thanks microcredit, friends' loans and personal investments they managed to establish a six vans fleet, with operating bases in Lisbon and Oporto. As the business showed great potential, institutional investors offered investments in the form of Equity. This helped the two founders looking for funds from banks as debt. Summer of 2015 saw twenty four vans on the road, an additional base in Faro. As the fleet and staff was expanding, Indie Campers was able to serve locations in Spain like Bilbao, Barcelona, Malaga and Seville.

In 2016 thanks to new investments in equity, auto financing and additional debt the fleet experienced another great expansion, with additional 70 vans, making a total a 95 vehicles. Operative bases and offices were opened in Barcelona, Bilbao and Malaga, allowing the complete coverage of Portugal and Spain.

	2014	2015	2016
Average Fleet	6	24	95
Number of cities served (principal city with office)	2 (2)	6 (3)	13 (6)
Revenues	100 m	420 m	2 M

Table 2 - Indie Campers' Quick Facts. Source: Indie Campers' 2016 business plan

Organization

Indie Campers, as a startup has a flexible and, when possible a flat organization. Personnel is divided into two main teams, which are Operational Team and Marketing and Sales Team. The operational team made of around fifteen people, deployed in all the six cities that have an office with deposit close to the airport; these cities are called *principal cities* and are Oporto, Lisbon, Faro, Malaga, Barcelona and Bilbao. Basing operations in those cities, the operational team manages to deliver and collect vans in all the remote locations, that are Seville, Valencia, Alicante, Girona, Biarritz, Santander and Madrid.

The rest of the staff, is part of the Marketing and Sales team, that has its headquarter in Lisbon, for a total of 10 people, from different backgrounds and with four different nationalities.

Success and future steps

Total revenues from 2014 started growing with an incredible pace, as the fleet and the geographical coverage were rapidly expanding. The company in 2015 sold a total of around € 420.000, more than four times sales of 2014. It is important to mention that the fleet went close to overbooking from June to September, with frequent occupation rates of 100%.

This supported the need of a bigger fleet. Accurate calculations and prevision based on previous occupation rates forecast gross sales around € 2 million for 2016. In the next three yeas the company will continue growing with new equity and debt in order to cover the totality of Central and Western Europe by 2019. By that year, estimative sales will be around € 35 million.

SWOT analysis

To complete the analysis of Indie Campers, I chose to study the SWOT perspective in order to better understand all the peculiarities of the strategy and future perspectives of the company.

STRENGTH

One of the most important strength of the company is the great value for money offered to the client. The price is, indeed, 25-35% cheaper in comparison with the regular RV rental company. The offered product has all the characteristic of a motorhome, just in a more compact and lean design; all the vans have two double beds, sink and tap, one table inside and room for all the baggage. Two models out of five are also equipped with chemical toilets and shower, just like regular Campervans. The price points allows to have high margins and to compete with many alternative businesses like Airbnb if chosen in comparison with Airbnb or hotels.

Indie Camper's vans have unique design that, together with the incredible user experience that the overall service, provides a great impact on clients thus generating a great word of mouth between clients. Almost 15% of the bookings in 2016 are made through referrals from friends or family.

Indie Campers also provides the possibility to create real road trip because of the low relocation fees and the geographical coverage of all the main cities in Iberian Peninsula.

Another important strength of is the international staff whose members provide many different competences and points of view. This helps the commercial team in planning the commercial funnel and in defining processes.

Last but not least, one of the greatest values is transparency with clients, in terms of pricing and costs and in honesty not to push the hard sell, really interested in what is the best for the customer.

WEAKNESS

One of the major weaknesses that has to be managed is the high complexity of the operations that a company in this industry has to face. In fact, the geographical coverage and merely the coordination between the deposits of the van is crucial in this type of business. This also brings important costs that have to be taken into consideration, especially in terms of staff, of parking slots renting and also the cost of moving the vans between the different locations.

Many other weaknesses are related to the fact that the business is a startup. There is no great time in advance to plan the actions and the strategy in first place; secondly the time to dedicate to training of staff is limited and everything has to be carried on while the business goes on. As a result, new teams are created with relatively young age personnel and modest levels of experience, but with great potential.

Another weakness strictly related to the startup world is the lack of established processes and of optimized procedures. Because of this, the company could lose a lot of resources, in terms of energy, money and time, which is the crucial time in business world.

Last but not least, there is not such as an established market at the moment. The company could make a huge effort to educate the potential customer with a lot of risk and the possibilities of failure, despite being few, are present.

OPPORTUNITY

There are many opportunities bound to the starting of a new business like Indie Campers. The first one, and for sure one of the most important is the possibility to create the market by educating the customers. As there is not a real culture for van road-trips the market potential is possibly unlimited. Strictly bound to this there is a concrete possibility to create a strong and recognizable brand all over the world.

Indie Campers is not offering a product, but a whole experience that is possible through the van and because of the van; this could help attracting client and creating a strong brand.

Because of the extreme flexibility of the holiday the opportunity to capture niche markets, like surfing, hiking, cycling, just to name a few, is very high. Also in force of this, but also because of the many locations and options a substantial demand could be captured in unexpected location and even in unaddressed locations.

Another opportunity lies in the relationship with local activities and business. Despite being movement tourism there is a concrete possibility to engage local communities and business, thus creating a network of collaborators and of complementary activities. For example, surf schools, local companies producing gadgets for the vans or even mechanics.

THREAT

The first threat is the fierce competition that comes from both rental cars and motorhome's sector. In those markets, players are huge, with already established and already competing with each other. Because of this, margins are low as the high prices are almost totally eroded by the high structural costs and by the great cost of the vehicles. In order to sustain those heavy cost structure, the industry is highly capitalized and it is difficult for a newcomer to establish itself between current gigantic players like Motorhome Republic or the big firms of rent a car. Moreover, the dimension allows to the majority of competitors to almost monopolize the Google Rank.

As the industry is established many aggregators and alternative ways of travelling are appearing and, as already mentioned, put a lot of additional pressure on margins and on price; the sector is moving towards a *commodization* of the product and of the service provided. Some other companies already appeared, offering campervans.

In opposition of this some small family business appeared, together some other *homemade* ventures, often not well organized and with small fleets. This is signal that the industry is not completely in stall, but in the future there might be even more competition, also by big new players.

Another threat comes from possible changes in the legislation and regulation, that could directly modify the rules of the games, for example forcing companies to adopt higher safety standards or forbidding completely the possibility of *wildcamping*. Regarding this, many customers could be concerned with security and safety issue, preventing the spreading of word the experience.

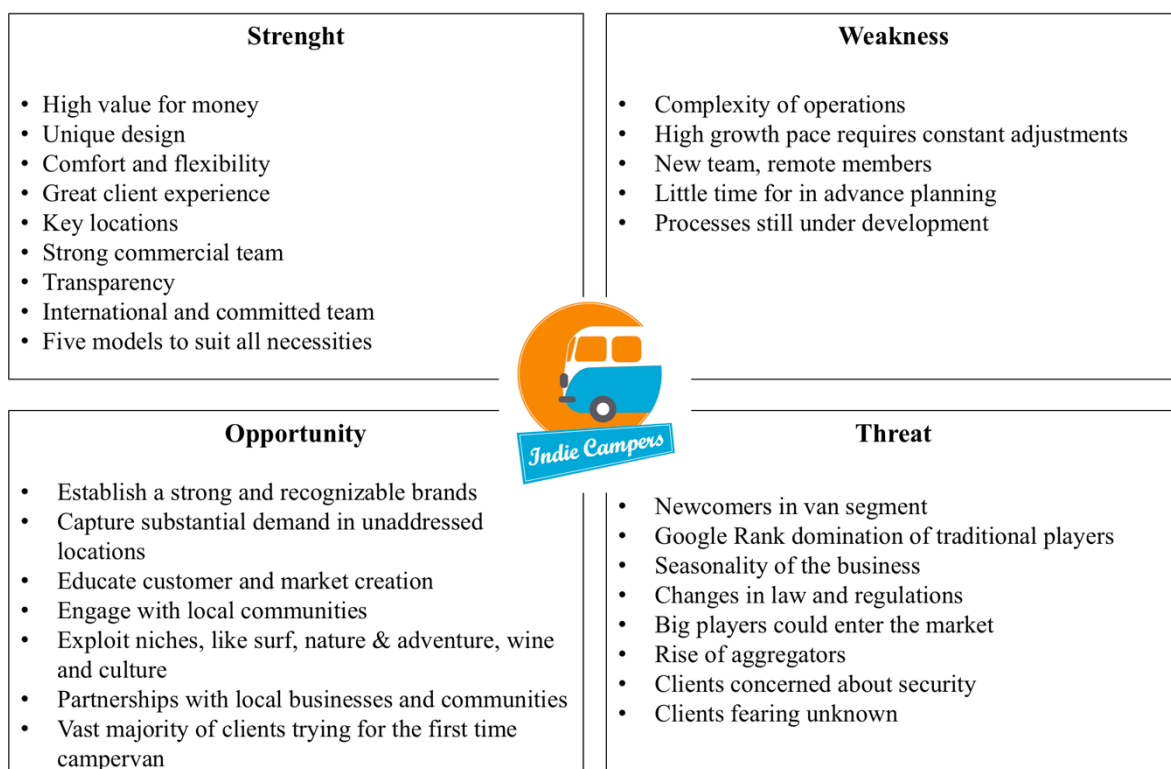


Figure 5 - SWOT Analysis. Source: Indie Campers ' 2016 business plan

Conclusions

As shown in the first section, thanks to Porter's Six Forces analysis, the market presents a high degree of competition and the growing perspectives for a newcomer seem to be unfavorable. Internal rivalry, the numerous and huge competitors that put pressure on margins do not permit to small companies to easily survive and make real profit. In particular, scale, experience and localization of the incumbents are overwhelming.

Thanks to the Blue Ocean Strategy tools it was possible to redefine the boundaries of the market thanks to a new value proposition that cannot find a real match in the traditional offer. Indie Campers, in fact, found a new way to compete positioning itself with a across industry and across strategic group perspective with its Vans. These peculiarities allowed the company to avoid direct competition of the other players and to establish a new market that gave it the possibility to grow and expand.

A wise and well planned strategy that includes all the main aspects of brand management, financing and organization aspects, will probably lead the company to a European success in future years.

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Figures and Tables

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